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THE FABIAN SOCIETY, 25 TOTHILL ST., WESTMINSTER;
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FACTS FOR SOCIALISTS

SHOWING

THE DISTRIBUTION OF THE NATIONAL INCOME
AND ITS RESULTS.

PUBLISHED AND SOLD BY

THE FABIAN SOCIETY.

"No one can contemplate the present condition of the masses of the people without desiring something like a revolution for the better" (Sir R. GIFFEN, "Essays in Finance," vol. ii., p. 393).

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FACTS FOR SOCIALISTS

FROM THE
POLITICAL ECONOMISTS AND STATISTICIANS.

I.—The Nation's Income.

THE annual income of the United Kingdom has been estimated by the following authorities :—

Sir R. Giffen, <i>The Wealth of the Empire</i> , Journal of Royal Statistical Society, vol. lxvi. part iii. 1903	£ 1,750,000,000
Professor A. L. Bowley, M.A. (Appointed Teacher of Statistics, University of London), <i>Economic Journal</i> , September, 1904 ; Income for 1903	1,800,000,000
Professor A. L. Bowley (<i>Economic Journal</i> , March 1913, p. 54), for 1907	1,945,000,000
<i>Census of Production</i> for 1907, between 1,918 and 2,158 millions (Cd. 6,320, 1912, p. 33), say	2,000,000,000
Mr. L. G. Chiozza Money, M.P., <i>Riches and Poverty</i> (1912 edn., p. 47), for 1909	1,844,000,000
<i>The Statist</i> (27th April, 1912), for 1912, in- cluding allowance for married women, housekeepers, and others	2,250,000,000
The Chancellor of the Exchequer (Mr. Lloyd George) in his War Budget Speech (November, 1914), for 1914 ...	2,300,000,000

The gross assessments to income tax have risen from £601,450,977 in 1881-2 to £1,111,456,413 in 1912-13 (Inland Revenue Report, Cd. 7,572). Allowing for a corresponding rise in the incomes not assessed and in the wages of manual labor, we may estimate the **national income for 1912** at not less than **£2,200,000,000**. The population in 1911 being 45,221,615 (Cd. 7,022), the average annual

income is about £48 $\frac{3}{4}$ per head, or £195 per adult man. In 1840 it was about £20 $\frac{1}{2}$, in 1860 £26 $\frac{1}{2}$ per head (Mulhall, *Dictionary of Statistics*, p. 245), and for 1905-6 we estimated it at £46 $\frac{1}{4}$ per head (*Facts for Socialists*, 11th edn., 1908).

These figures (which are mainly computed from income tax returns and estimated average rates of wages) mean that the price in money of the commodities and services produced in the country during the whole course of a year was about £195 per adult man.* Most of these commodities and services were used up within that period in maintaining the 45,221,615 inhabitants, but no less a sum than £320,000,000 to £350,000,000 was saved annually previous to the war of 1914. (*Census of Production*, Cd. 6,320, 1912, p. 33. Estimate for 1907.) The bulk of this "saving" consists of new houses and of new railways, steamers, machinery, and other aids to future labor, partly for use in this country and partly sent abroad. It was calculated that £100,000,000 was in this way invested abroad in 1907 (*Census of Production*, p. 32).

Total Income £2,200,000,000.

II.—Who Produces It.

The desirable commodities and useful services measured by this vast sum are produced solely by the "efforts and sacrifices" (Cairnes), whether of muscle or of brain, of the working portion of the community, employed upon the gifts of Nature.

"No wealth whatever can be produced without labor" Professor Henry Fawcett (Cambridge) (*Manual of Political Economy*, p. 13).

"That useful function, therefore, which some profound writers fancy they discover in the abundant expenditure of the idle rich turns out to be a sheer illusion. Political economy furnishes no such palliation of unmitigated selfishness. Not that I would breathe a word against the sacredness of contracts. But I think it is important, on moral no less than on economic grounds, to insist upon this, that no public benefit of any kind arises from the existence of an idle rich class. The wealth accumulated by their ancestors and others on their behalf, where it is employed as capital, no doubt helps to sustain industry; but what they consume in luxury and idleness is not capital, and helps to sustain nothing but their unprofitable lives. By all means they must have their rents and interest, as it is written in the bond; but let them take their proper place as drones in the hive, gorging at a feast to which they have contributed nothing." (*Some Leading Principles of Political Economy*, p. 32, by the late John Elliott Cairnes, M.A., Emeritus Professor of Political Economy at University College, London; 1874.)

III.—Who the Workers Are.

Those who profess to be taking part in the work of the community were divided, at the census of 1911, as follows:

* The estimated amount of metallic money in the country was, in 1911, about £148,000,000, or about £3 per head. The Report of the Deputy Master of the Mint, (1911), puts the value of gold coins in circulation at £113,000,000 (of which sum the bankers hold about £45,000,000), and to this must be added gold bullion at the Bank of England, about £20,000,000, and silver and bronze coins in circulation, estimated at £15,000,000. (In 1914 the currency system was somewhat changed by the war.)

	Males.	Females.	Total.
Industrial	10,177,042	3,239,011	13,416,053
Agricultural	1,862,575	167,300	2,029,875
Commercial	727,457	125,412	852,869
Domestic	398,662	1,618,108	2,016,770
Professional	880,726	439,618	1,320,344
	<hr/>	<hr/>	
	14,046,462	5,589,449	19,635,911
Unoccupied, under 20...	7,091,183	7,706,380	14,797,563
Unoccupied, over 20 ...	808,850	9,979,291*	10,788,141
	<hr/>	<hr/>	
Total	21,946,495	23,275,120	45,221,615

(Compiled from Reports of the 1911 Census of England and Wales, Scotland and Ireland.)

The figures for England and Wales may be given in more detail as follows :

	Total.	Males.	Females.
Domestic Indoor Service ...	1,302,438	41,765	1,260,673
Agriculture	1,229,555	1,184,714	94,841
Coal Mining	971,236	968,051	3,185
Building	817,942	814,989	2,953
Cotton Manufacture	623,825	250,991	372,834
Local Government (including Police and Poor Law) ...	588,951	412,501	176,450
Railway Companies' Service...	542,969	535,799	7,170
Engineering and Machine Making, Ironfounding and Boilermaking	510,226	502,942	7,284
Dressmaking	336,955	3,826	333,129
Teaching	300,831	89,648	211,183
Inns, Hotel Service	289,056	178,550	110,506
Grocery	269,322	210,387	58,935
Tailoring	254,828	127,301	127,527
Printing, Bookbinding and Stationery	249,465	161,856	87,609
Wool and Worsted Manu- facture	233,189	105,552	127,637
Boot, Shoe, etc., Making ...	217,986	172,000	45,986
Drapery	204,126	93,171	110,955

A MILLION CIVIL SERVANTS.

299,599 persons, comprising 248,624 males and 50,975 females are classified as being engaged in the Central Government of the country, an increase of 46 per cent. since 1901, or 42·3 for males and 69·5 for females. The Post Office workers, excluding artisans and laborers (125,698), form nearly three-quarters of the total, and nine-tenths of the females. In addition, the men and women engaged in the

* Most of these are married women engaged in unpaid domestic work, although not so described.

local government service numbered 588,951. The total for the United Kingdom amounts to probably a million national or local government officials.

Professional occupations and their subordinate services accounted for 714,621 (367,578 males and 347,043 females) in England and Wales alone, or 108,361 more than in 1901. The comparative totals for the principal professions were :

	1901.	1911.
Barristers and Solicitors	20,998	21,380
Law Clerks	34,433	36,265
Physicians and Surgeons	22,698	25,048
Dentists	5,309	7,674
Veterinary Surgeons... ..	2,941	2,612
Midwives	3,055	6,602
Teachers (excluding Music)... ..	230,345	251,968
Art, Music, and Drama	102,305	125,006

Among the professed workers there are, of course, many whose occupation is merely nominal. The number is swelled by the "sleeping" partners, the briefless barristers, the invalids, and the paupers, prisoners, and sinecurists of every description. Many thousands more have occupations useless or hurtful to the community; and others, as for example many domestic servants, labor honestly, but for the personal comfort of the idlers, and they might, therefore, as far as production is concerned, as well be themselves idle.

IV.—How the Idle Rich Live.

"Whence is their purchasing power derived? It does not descend to them from the skies; nor is it obtained by submarine telegraph direct from California or Australia; nor is its presence exhaustively accounted for by the presence of certain figures on the credit side of their accounts in their bankers' books" (Professor J. E. Cairnes, *Some Leading Principles of Political Economy*, p. 31).

They live, in the main, upon the portions of the national product which are called rent and interest, by the legal "guarantee to them of the fruits of the labor and abstinence of others, transmitted to them without any merit or exertion of their own" (J. S. Mill, *Political Economy*, Popular Edition, p. 129).

"It is at once evident that rent is the effect of a monopoly" (J. S. Mill, *Political Economy*, p. 255).

"Monopoly, in all its forms, is the taxation of the industrious for the support of indolence, if not of plunder" (*Ibid*, p. 477).

V.—Rent of Land and Houses.

The total profit from the ownership of lands, houses, tithes, etc., as assessed for income tax in 1912-13, was £279,536,396; the rents of mines, quarries, ironworks, gasworks, waterworks, canals, fishings, shootings, markets, tolls, etc., amounted to £47,042,115 (Inland Revenue Report, 1912-13, Cd. 7,572). Many of these are notoriously far from being fully assessed. The total "rent" of immovables of the United Kingdom must therefore amount to at least £330,000,000,

or more than one-seventh of the total produce.* Of this amount about £90,000,000 may be estimated as the annual rental value of the bare site, without buildings.†

“Great landlords are everywhere an idle class” (J. S. Mill, *Political Economy*, Popular Edition, p. 153).

Total Income, £2,200,000,000. Rent, £330,000,000.

VI.—Interest on Capital.

Interest is distinguished by economists from rent on the one hand, and “wages of superintendence,” or other payment for services on the other; but a large part of the “rent” already dealt with may also be deemed interest on capital embodied in land in the form of houses, etc.

The Income Tax Returns disclose the fact that the following sums were received as income in 1912-13 not in return for contemporaneous work, viz.:

From Public Companies	... ..	£323,955,934
„ Local Authorities	... ..	27,407,199
„ Coupons collected by Banks	... ..	45,482,597
„ Government Securities	... ..	50,288,570
		<hr/>
		£446,234,300

A small part of this goes to institutions, foreigners, etc., and another small part to the relatively poor (Cd. 7,572).

That these amounts are understated may be inferred from Sir George Paish, who estimates “the net total of our investments in other lands” up to 1910 “at not much short of £3,500,000,000,” about half of it in our Colonies and Dependencies, and the other half in the United States and other foreign countries. Only some 5 per cent. is invested in European countries. The income from this might, he thinks, be taken at 5 per cent., or £175,000,000. (*Royal Statistical Society's Journal*, Jan., 1911.) Nearly the whole of this vast income may be regarded as being received without any contemporary services rendered in return by the owners as such.

We have, however, to add the interest on capital employed in private undertakings of manufacture or trade. This is included with “wages of superintendence” in business profit, both for the purpose of the income tax returns and in ordinary speech. The total amount of **interest** cannot therefore be less than **£490,000,000**.

Adding hereto the rent mentioned in the preceding section, we have a total of £820,000,000 for rent and interest together.

Total Income, £2,200,000,000. Rent, £330,000,000.
Interest, £490,000,000.

* In 1843 the total was (for Great Britain only) £95,284,497; in 1855 (for the United Kingdom) £124,871,885.

† L. G. Chiozza Money (*Daily Mail Year Book*, 1913), £90,000,000 for 1910-11. Sir Thomas Whittaker (*Ownership, Tenure, and Taxation of Land*, 1914, p. 95), £91,500,000.

VII.—Profits and Salaries.

But those who enjoy the vast unearned income just mentioned cannot all be accurately described as the "idle rich," though they would forego none of it by refusing to work. If they are disposed to increase it by leading active lives, they can do so; and most of them adopt this course to some extent, especially those whose share is insufficient for their desires.*

When the members of this endowed class elect to work, they are able to do so under unusually favorable conditions. Associated with them in this respect are the fortunate possessors of exceptional skill in hand or brain and the owners of literary, artistic, or commercial monopolies of every kind. These workers often render inestimable service to the community, and they are able to exact in return remuneration proportionate neither to their utility nor to the cost of their education or training, but to the relative scarcity of the faculty they possess.

The numbers and total income of this large class cannot be exactly ascertained. It includes workers of all grades, from the exceptionally skilled artizan to the Prime Minister, and from the merchant's clerk to the President of the Royal Academy.

It is convenient for statistical purposes to include in it all those who do not belong to "the manual labor class." If we take the "rent of ability" to have increased in the same proportion as the assessments to income tax, this prosperous body may be estimated to receive as **profits and salaries** for its work about **£550,000,000** annually.

THE INCOMES OF THE OWNERS AND MANAGERS.

The total amount of rent, interest, profits, and salaries was estimated some years ago as follows:—

Professor Leone Levi, <i>Times</i> , 13th January, 1885	£753,000,000
Mr. A. L. Bowley, <i>Statistical Society's Journal</i> , vol. lviii., part 2, p. 284 (1891)	... .. 912,000,000

* As the unearned income is not equally distributed, some of the participants are in comparatively humble circumstances; but it may be observed that the "manual labor class," or the poor, possess but a small fraction of the land and capital.

In 1912 The Deposits in P.O. Savings Bank	... .. were	£182,104,564
" Trustee	... .. "	53,811,899
Consols purchased for small holders P. O. S. B.	... .. "	26,077,858
" Trustee S. B.	... .. "	2,704,859
The Capital of Building Societies	... .. was	48,896,015
The Funds of Trade Unions, Co-operative, Friendly and other Provident Societies	... .. were	129,027,953
In 1911 The Funds of Industrial Life Assurance Societies	..	55,118,452

£497,741,600

(see *Statistical Abstract*, 1912, Cd. 7,022, and Report of Registrar of Friendly Societies), or perhaps one-thirtieth part of the total accumulated wealth (which is variously estimated at from £13,000,000,000 to £17,000,000,000), and about £42 per head of the adult workers in the "manual labor class," even supposing the whole was owned by members of that class. Against this, too, must be set the debts of the laborers to pawnbrokers, shopkeepers, and others, which amount, in the aggregate, to a considerable sum. Some of it, moreover, is counted twice over.

Since these estimates were made the wealth of the country has grown greatly, and on the basis of the increase in gross assessments to income tax, we estimate that the total drawn by the upper, middle, and trading classes amounts at present to about **£1,370,000,000** yearly, or little less than two-thirds of the total produce.

Total Income, £2,200,000,000. Rent, £330,000,000.
Interest, £490,000,000. Profits and Salaries, £550,000,000.

VIII.—The Income of the Wage-earners.

The total amount of wages has been estimated by the statisticians :

Sir R. Giffen, <i>Essays in Finance</i> (1886), vol. ii., p. 467	£550,000,000
Mr. J. S. Jeans, <i>Statistical Society's Journal</i> , vol. xlvii., p. 631, for 1880	600,000,000
Prof. A. L. Bowley (as above), 1891.	699,000,000
Sir R. Giffen (Evidence to Labor Commission, Question 6,909, etc.), 1893	633,000,000
Mr. L. G. Chiozza Money, for 1908 (<i>Riches and Poverty</i> , 10th edn., p. 31)	703,000,000
Mr. Sidney Webb (as below), for 1912	740,000,000

Table showing estimated earnings of employed manual wage-earners in the United Kingdom in 1912 (including board and lodging, overtime, and all other emoluments), compiled by Mr. Sidney Webb, and published in *The New Statesman*, May 10th, 1913 (figures for women revised) :—

MEN.

Class.	Numbers.	Average earnings in full week, including emoluments.		Average Wages Bill for a full week.	Yearly Wages Bill.*
		s.	d.	Million £.	Million £.
Men in situations :					
Below 15s. ...	320,000 = 4%	13	0	0.21	10
15s. to 20s. ...	640,000 = 8%	18	0	0.58	27
20s. ,, 25s. ...	1,600,000 = 20%	22	6	1.80	85
25s. ,, 30s. ...	1,680,000 = 21%	27	6	2.31	109
30s. ,, 35s. ...	1,680,000 = 21%	32	6	2.73	128
35s. ,, 40s. ...	1,040,000 = 13%	37	6	1.95	92
40s. ,, 45s. ...	560,000 = 7%	42	6	1.20	56.5
Over 45s. ...	480,000 = 6%	50	0	1.20	56.5
Men in situations	8,000,000 = 100%	30	0	12.00	564
Casuals ...	700,000	12	0	0.42	18.5
Adult males ...	8,700,000	28	4	12.42	582.5
Boys ...	1,900,000	10	0	0.95	44
All males ...	10,600,000	25	3	13.38	626.5

Average earnings per adult man $\frac{582.5}{8.7} = \text{£}66.95$, or 25s. 9d. a week.

WOMEN.

Class.	Numbers.	Average earnings in a full week.		Average weekly Wages Bill for a full week	Yearly Wages Bill (net, as above).
		s.	d.	in £100,000.	£.
Women in situations :					
Below 12s. ...	1,000,000	9	0	450	21,150,000
12s. to 15s. ...	1,500,000	13	0	975	45,825,000
Over 15s. ...	500,000	17	0	425	19,975,000
Women in Situations ...	3,000,000	12	4	1,850	86,950,000
Casuals ...	100,000	3	6	17½	822,500
Adult women ...	3,100,000	11	7	1,867½	87,772,500
Girls ...	1,500,000	7	6	565	26,550,000
All females ...	4,600,000	10	7	2,432½	114,322,500
Total Wages Bill ...	...	...	...	...	£740,822,500

Average earnings per adult woman throughout the year,

$$\frac{87.772}{3.1} \text{£}28.31, \text{ or } 10\text{s. } 10\frac{1}{2}\text{d. per week.}$$

Allowing for the increase since these estimates were made, we may safely say that the manual labor class receives for all its millions of **workers** at most some **£830,000,000** per annum.

* Allowing five weeks for short time, sickness, involuntary holidays and unemployment.

Rent	£ 330,000,000
Interest	490,000,000
Profits and Salaries... ..	550,000,000
<hr/>	
Total (that is the entire income of the upper, middle, trading, clerical, and professional classes	1,370,000,000
Income of manual labor class	830,000,000
<hr/>	
Total produce	£2,200,000,000*

IX.—The Classes and the Masses.

But the division of the nation's income into its economic categories does not coincide with its actual distribution among social classes. Many owners of land and capital work for profits, salaries, or wages. Many manual workers enjoy small shares of rent and interest. In particular, we have to notice the great development during the past half-century of a class numbering about three or four million persons who do not belong to what is usually spoken of as the wage-earning class (artizans and laborers of all kinds), but whose annual earnings are below £160 per family group. The total income of this class (which includes the great mass of teachers, clerks, minor officials, junior professionals, independent craftsmen, and small shopkeepers and dealers) is estimated at £232,000,000 (Chiozza Money, *Riches and Poverty*, 10th edition, p. 19) or £350,000,000 (Report of Committee of Economic Section, British Association, *Statistical Society's Journal*, December, 1910, p. 65), according as three or four millions are placed within this class.

Dividing the nation's income, not according to its economic categories, but according to how it is actually allotted, we get the following distribution for 1912 :

	Numbers.	Amount.
<i>Riches.</i> —Persons with incomes of £700 and upwards and their families	1,500,000	£700,000,000
<i>Comfort.</i> —Persons with incomes between £160 and £700 and their families	4,500,000	300,000,000
<i>Poverty.</i> —Persons with incomes less than £160 and their families	39,220,000	{ 830,000,000 370,000,000
	45,220,000	£2,200,000,000

(Adapted, the figures being brought down to date, from Chiozza Money, *Riches and Poverty*, 10th edn., p. 9.)

This unequal division of the fruits of the combined labor of the working community divides us, as Lord Beaconsfield said, into "two nations," widely different from each other in education, in comfort,

* In this connection it may be mentioned that the total income of the charities of the United Kingdom, including endowments, amounted in 1912 to $\frac{1}{3}$ per cent. of this total, viz., £11,295,000, besides, in addition, £1,445,000 from legacies. The total cost of poor relief in 1912-13 was £17,784,579 (*Statistical Abstract*, Cd. 7,636).

and in security. There is some limited central territory between, and some luckier few escape from the large camp in which their fellows are toiling to the more comfortable fortress of the monopolists, from which, on the other hand, others sink into destitution from extravagance or misfortune. But for the great majority the lines between these two nations are practically impassable.

The division is not based on any essential differences between individuals in industry or morality.

"Since the human race has no means of enjoyable existence, or of existence at all, but what it derives from its own labor and abstinence, there would be no ground for complaint against society if everyone who was willing to undergo a fair share of this labor and abstinence could attain a fair share of the fruits. But is this the fact? Is it not the reverse of the fact? The reward, instead of being proportioned to the labor and abstinence of the individual, is almost in an inverse ratio to it; those who receive the least labor and abstain the most" (John Stuart Mill, *Fortnightly Review*, 1879, p. 226, written in 1869).

We have seen what the "two nations" each receive; it remains to estimate their respective numbers, and the following facts supply materials for this computation:

(a) *The Comparatively Rich.*

It has been shown that the adult males without professed occupation numbered 808,850 in 1911. This represents a population of over 3,000,000, all of whom were living on incomes not derived from any specified occupation.

About 120,000 people, one-seventieth part of the population, own "about two-thirds" of the entire accumulated wealth of the United Kingdom (Chiozza Money, *Riches and Poverty*, 10th edn., 1912, p. 79).

The landlords (of more than ten acres) number only 176,520, owning ten-elevenths of the total area (Mulhall, *Dictionary of Statistics*, p. 341).

Only one hundred out of every 1,000 persons dying leave behind them £300 worth of property (including furniture, etc.), and only thirteen per hundred leave any property worth mentioning at all.

The number of estates exceeding £10,000 in value in 1912-13 upon which Estate Duty was paid was 4,002, their capital value was £192,121,358. They include five-

(b) *The Comparatively Poor.*

Mr. Mulhall, *Dict. of Statistics*, p. 320; families ... 4,774,000

Mr. L. G. Chiozza Money, *Riches and Poverty*, 11th edn., p. 47, estimates that the lower middle and working classes numbered in 1909... 39,000,000

The number of persons "employed" at wages in the industries of the Kingdom is placed at thirteen to fourteen millions, and this includes over four million women.

Mr. J. S. Jeans, *Statistical Society's Journal*, vol. xlvii., p. 631, places the number at about ... 14,000,000

Sir R. Giffen, *Essays in Finance*, vol. ii., p. 461 (1886) (separate incomes of man-

(a) *The Comparatively Rich.*

sevenths of the total net capital of the estates liable for duty (Inland Revenue Report, C. 3,686).

In 1912-13 the estates of 76 persons were proved for £61,259,339, or nearly one-quarter of the value of all estates. Of these, eleven were more than £1,000,000, twenty-four over £500,000 (Cd. 7,022).

More than one-third of the entire income of the United Kingdom is enjoyed by less than one-thirtieth of its people (Chiozza Money, *Riches and Poverty*, p. 48).

The payers of income tax (1,100,000), representing 5,500,000 people, take £909,000,000, nearly half the national income (L. G. Chiozza Money for 1908, *Riches and Poverty*, 1912, p. 44).

Mr. L. G. Chiozza Money estimates that 1,250,000 people take £600,000,000 a year, 3,750,000 people take £250,000,000 (*Daily Mail Year Book*, 1908).

Abounding Prosperity.—In addressing the Leeds Luncheon Club on May 11th, 1914, the Rt. Hon. Frederick Huth Jackson (Vice-President of the Institute of Bankers, and a Director of the Bank of England) said: "Let me ask you to compare our position now with what it was twenty years ago. The volume of our foreign trade has more than doubled, having risen from 681½ millions to 1,400 millions. Our banking deposits have just about doubled. In 1893 they were 433 millions, while they are now 867 millions. The amounts due to depositors in Post Office and Trustee Savings Banks have risen from 123 millions to 236 millions, again about double what they were. And the London Clearing House returns are even more impressive; they show an increase from £6,478,000,000 in 1893 to £16,436,000,000 in 1913."

(b) *The Comparatively Poor.*

ual labor class)... 13,200,000
Mr. A. L. Bowley, *Statistical Society's Journal*, June, 1895,
manual laborers 13,000,000

In 1908, of persons with incomes of less than £160, 39,000,000 out of 44,500,000 took £935,000,000, or a shade more than half the national income (Chiozza Money, *Riches and Poverty*, 12th edn., 1912, p. 47).

Eight hundred and seventy out of every 1,000 persons (about half of whom are adults) die without property worth speaking of, and eight hundred out of every 1,000 without furniture, investments, or effects worth £300 (Cd. 7,022).

From returns obtained from 8,121 private and Government works, employing 862,365 persons, it appears that the average annual wage per head amounted to not more than £50. These returns include the police and other public servants, but do not take any account of agricultural and general laborers (Annual Report of Labor Department, Board of Trade, 1893-4, C. 7,565).

From the table given on a preceding page it will be seen that only six per cent. of manual working wage-earning men get over 45s. per week, and that the average earnings of all the adult men are only 25s. 9d. per week. The average earnings of all the adult women are only 10s. 10½d. per week.

ACCUMULATED WEALTH.

It is very difficult to arrive at even an approximate estimate of the total value of real and personal property stored in the hands of those who have been favored by fortune. Mr. Chiozza Money, in his *Riches and Poverty* (p. 65), puts the total figure at £13,762,000,000. He constructs the following table, entitled :

THE DIVISION OF PROPERTY—AN ARGUMENT FROM THE DEAD TO THE LIVING.

Classes of estate.	<i>The Dead.</i>		<i>The Living.</i>		Average value of estates per head.
	Averages of the Death Duty Records in the five years 1904-5 to 1908-9.		Figures of columns 1 and 2 multiplied by 30 upon the assumption that each dead property owner in column 1 corresponds to 30 living ones.		
	(1)	(2)	(1)	(2)	
	Persons.	Property. £	Persons.	Property. £	
Less than £100 net ...	15,956	900,000	478,680	27,000,000	56
Less than £300 gross ...	18,917	3,600,000	567,510	108,000,000	190
£300 to £500 gross ...	9,288	3,700,000	278,640	111,000,000	398
£100 to £500 net... ..	6,074	2,700,000	182,220	81,000,000	444
Total estates not over £500 ...	50,235	10,900,000	1,507,050	327,000,000	216
£500 to £1,000 net ...	10,404	8,600,000	312,120	258,000,000	826
£1,000 to £10,000 net ..	16,910	62,100,000	507,300	1,863,000,000	3,672
£10,000 to £25,000 net ...	2,338	41,000,000	70,140	1,230,000,000	17,536
£25,000 to £50,000 net ...	910	35,100,000	27,300	1,053,000,000	38,571
£50,000 to £75,000 net ...	291	19,400,000	8,730	582,000,000	66,600
£75,000 to £100,000 net..	145	13,200,000	4,350	396,000,000	91,034
£100,000 to £150,000 net..	133	16,900,000	3,990	507,000,000	127,067
£150,000 to £250,000 net..	90	19,700,000	2,700	591,000,000	218,800
£250,000 to £500,000 net..	54	20,600,000	1,620	618,000,000	381,481
£500,000 to £1,000,000 net	19	13,600,000	570	408,000,000	715,789
Over £1,000,000 net ...	7	18,100,000	210	543,000,000	2,585,714
Total estates over £500 ...	31,301	268,300,000	939,030	8,049,000,000	8,571
Grand Total	81,536	279,200,000	2,446,080	8,376,000,000	3,424

The Public Trustee now administers a large and increasing number of estates, the following comparison being instructive.

1908-09 381 estates, valued at £3,133,000

1913-14 1,573 estates, valued at £13,425,000

1908 was the first year of operation, and nearly half the estates administered are under £2,000 in value (Cd. 7,343).

STATISTICS OF INCOME AND INCOME TAX IN THE UNITED KINGDOM.*

During the past few years there has been a rapid increase in the gross income reviewed by the Inland Revenue for income tax purposes. The figures are as follows :—

* The Chancellor of the Exchequer estimates the number of income tax payers for 1913-14 at 1,190,000, as against 950,000 ten years ago, and the taxable income per income tax payer at £780.

Year.	Gross Income Reviewed. £	Income Taxed. £	Net Produce of Tax. £
1900-01 ...	833,355,513	594,106,253	29,705,312
1901-02 ...	866,993,453	607,550,919	35,440,470
1902-03 ...	879,638,546	608,606,903	38,037,931
1903-04 ...	902,758,585	615,012,373	28,188,067
1904-05 ...	912,129,680	619,328,097	30,966,404
1905-06 ...	925,184,556	632,024,746	31,601,237
1906-07 ...	943,702,014	640,048,238	32,002,412
1907-08 ...	980,117,000	671,313,000	32,380,000
1908-09 ...	1,009,935,926	693,323,082	33,408,754
1909-10 ...	1,011,100,345	686,812,104	37,679,602
1910-11 ...	1,045,833,755	697,074,032	38,344,767
1911-12 ...	1,070,142,343	720,640,587	39,631,630
1912-13 ...	1,111,456,413	755,577,547	41,574,277

In their annual report the Commissioners, as far as possible, identify income derived from investments in foreign and colonial countries. This source of income is one that is growing steadily, as the following figures show :—

1907-08 ...	£85,116,246	1910-11 ...	£100,952,723
1908-09 ...	88,837,393	1911-12 ..	103,894,667
1909-10 ...	93,264,604	1912-13 ...	110,421,797

HIGH PRICES MAKE THE POOR POORER.

On the other hand, the rise in the prices of food and other things in recent years has worsened the condition of the wage-earners. Recently the Board of Trade conducted an investigation into the matter, and, selecting the chief articles of common consumption, mainly prime necessities of life, produced the following figures (the War prices, 1914 and March, 1915, are added) :—

Average price of commodities as compared with the price of 1900 (taken as equal to 100) :

	1896.	1900.	1906.	1909.	1910.	1911.	1912.	1914.	1915.
Wholesale prices ...	88·2	100	109·8	104·1	108·8	109·4	114·9	—	—
Retail prices of food (London only) ...	91·7	100	102·0	107·6	109·4	109·4	114·5	125·5	155·9

It is interesting to compare these official figures with a table prepared by the Co-operative Wholesale Society showing the cost of an average weekly family grocery order. This indicated that in a working class budget prices increased by over 20 per cent. between 1898 and 1910 (as contrasted with a 16 per cent. general rise over the same period), and shows that the wage-earning classes have been hit more heavily than other sections of the community.

All this means that unless their wages have risen considerably the workers are actually earning less now than they did in 1900, and

still less than in 1895, as the following table, drawn up by Mr. G. S. Barnes, C.B., of the Labor Department of the Board of Trade, to show the purchasing power of the sovereign, proves :—

A sovereign was worth :

Year.	s.	d.	Year.	s.	d.
1895	20	0	1905	17	11
1896	20	0	1906	18	0
1897	19	3	1907	17	7
1898	18	6	1908	17	2
1899	19	4	1909	17	3
1900	18	5	1910	16	11
1901	18	4	1911	17	0
1902	18	3	1912	16	3
1903	17	11	1914*	14	7
1904	18	0	1915*	11	10

* War prices added March, 1915.

X.—The Competitive Struggle.

Disguise it as we may by feudal benevolence, or the kindly attempts of philanthropists, the material interests of the small nation privileged to exact rent for its monopolies, and of the great nation thereby driven to receive only the remnant of the product, are permanently opposed. "The more there is allotted to labor the less there will remain to be appropriated as rent" (Fawcett, *Manual of Political Economy*, p. 123).

It is therefore "the enormous share which the possessors of the instruments of industry are able to take from the produce" (J. S. Mill, quoting Feugueray, *Principles of Political Economy*, p. 477, Popular Edition of 1865) which is the primary cause of the small incomes of the comparatively poor. That neither class makes the best possible social use of its revenues, and that both waste much in extravagance and vice, is an apparently inevitable secondary result of the unequal division, which it intensifies and renders permanent; but it is a secondary result only, not the primary cause.

The force by which this conflict of interests is maintained, without the conscious contrivance of either party, is competition, diverted, like other forces, from its legitimate social use. The legal disposers of the great natural monopolies are able, by means of legally licensed competition, to exact the full amount of their economic rents; and the political economists tell us that so long as these natural monopolies are left practically unrestrained in private hands, a thorough remedy is impossible.

In 1874, Professor Cairnes thought that some help might be found (at any rate by the better-paid laborers) by means of co-operation in production. He then wrote :

"If workmen do not rise from dependence upon capital by the path of co-operation, then they must remain in dependence upon capital; the margin for the possible improvement of their lot is confined within narrow barriers, which cannot be passed, and the problem of their elevation is hopeless" (Professor J. E. Cairnes, *Some Leading Principles of Political Economy*, p. 348; 1874).

Forty years have passed away since these words were written, and it must now be apparent, even to the most sanguine of individualists, that the chance of the great bulk of the laborers ever coming to work upon their own land and capital in associations for co-operative production, has become even less hopeful than ever.

Professor W. J. Ashley, writing in 1914 of J. S. Mill's hopes for the future of co-operative production (self-governing workshops) as an alternative to capitalism, says :

"But these expectations have been grievously disappointed. Hundreds of experiments have been made, and there is a noble story to tell of persistence and self-denial in the scraping-together of capital; but undertakings for co-operative production in Mill's sense have without exception failed completely, either from the business or from the co-operative point of view" (*The Economic Organization of England*, 1914, p. 175).

Yet this, according to authorities so eminent, is the only hope for the laborer under the present arrangements of society.

XI.—Some Victims of the Struggle.

The statistics hitherto quoted have been mainly based on the assumption of reasonable regularity of employment. But of the great permanent army of the "unemployed," no reliable statistics can be obtained. From returns rendered to the Labor Department of the Board of Trade by Trade Unions, it appears that in the seven years, 1905-11, the mean percentage of members unemployed was 5.4 (Abstract of Labor Statistics, Board of Trade, Cd. 6,228). The average number of persons in London whose home is the "common lodging-house" is over 30,000.

As regards the four millions of persons in the metropolis, Mr. Charles Booth tells us that 37,610, or 0.9 per cent., are in the lowest class (occasional laborers, loafers, and semi-criminals); 316,834, or 7.5 per cent., in the next (casual labor, hand-to-mouth existence, *chronic want*); 938,293, or 22.3 per cent., form "the poor" (including alike those whose earnings are small, because of irregularity of employment, and those whose work, though regular, is ill-paid). These classes, on or below the "poverty line" of *earnings not exceeding a guinea per week per family*, number together 1,292,737, or 30.7 per cent. of the whole population. To these must be added 99,830 inmates of workhouses, hospitals, prisons, industrial schools, etc., making altogether nearly 1,400,000 persons in this one city alone whose condition even the most optimistic social student can hardly deem satisfactory (*Life and Labor of the People*, edited by Charles Booth, 1891, vol. ii., pp. 20-21).

The ultimate fate of these victims it is not easy adequately to realize. In 1911 no less than 100 persons (44 in London) were recorded as having died from starvation, and of these 11 were in receipt of Old Age Pensions (Cd. 6,980). Actual starvation is, however, returned as the cause of death in but a few cases annually; and it is well known that many thousands of deaths are directly due to long continued under feeding and exposure. Young children especially suffer.

In England and Wales in 1911, 106,642 deaths were registered as having taken place in poor law institutions, workhouses, infirmaries, schools, hospitals, and asylums, or 20·11 per cent. of the total deaths; the proportion during the ten years immediately preceding having averaged 17·88 per cent. Of these, 55,570 occurred in workhouses, 39,899 in hospitals, and 10,636 in lunatic asylums.

In London in 1911 four persons in every ten died in the workhouse, hospital, or lunatic asylum. Out of 68,505 deaths, 27,146 being under twenty years of age, 15,328 were in workhouses, 10,591 in hospitals, and 2,474 in lunatic asylums, or, altogether, 28,393 in public institutions (Registrar-General's Report, 1912, Cd. 6,578).

It is worth notice that a large number of those compelled in their old age to resort to the workhouse have made ineffectual efforts at thrifty provision for their declining years. In January, 1913, out of 275,292 inmates of workhouses, 70,087 were women, and 70,676 were children (Cd. 6,980). Among the men a very large number had been members of benefit societies, a former return revealing the fact that 25 per cent. of male inmates had in this way made an attempt to provide for a "rainy day." It is probable that one in every three London adults will be driven into these refuges to die, and the proportion in the case of the "manual labor class" must, of course, be still larger. And the number of persons who die while in receipt of outdoor relief is not included in this calculation. As in 1911 the mean number of outdoor paupers in the metropolis was 42,673 (Cd. 6,980), and the average death-rate in London was 15·3 per 1,000, it may be assumed that upwards of 650 persons died while in receipt of outdoor relief—often from its being insufficient.

16,465 persons died by fatal accidents in 1911 (Registrar-General's Report, Cd. 6,578), 1,491 losing their lives in mines, quarries, etc.; 835 on railways; 741 on mechanically propelled vehicles; 262 in working machinery; 456 by poisoning and poisonous vapors; and 203 in building operations. These are figures for England and Wales alone, and would be much increased by including the accidents in Scotland and Ireland.

The Board of Trade Report on "Railway Accidents" during the year 1913 shows that 330 railway servants were killed, and 5,379 injured, by accidents caused by the movement of trains. Of these 12 were killed and 679 injured whilst coupling or uncoupling vehicles (Cd. 6,932), and 59 men were killed and 3,060 injured in connection with shunting operations. Accidents from causes other than the movement of trains, such as unloading goods, seem to be seriously on the increase. In 1912, 53 men were killed and 22,498 injured in this way, the average of the preceding six years being 41 and 16,944 respectively. Excessive hours are referred to in the Official Report (Cd. 6,931). In one month—February, 1913—in 35,200 cases, men worked 13 hours; in 14,125 cases, 14 hours; in 5,959 cases, 15 hours; in 2,383 cases, 16 hours; in 1,154 cases, 17 hours; and in 1,361 cases, 18 or more hours.

Many of the workers, by reason of their occupation, are peculiarly liable to accident, industrial disease and poisoning. The industrial accidents and cases of poisoning reported have been as follows:—

INDUSTRIAL ACCIDENTS.

	Killed.	Injured.		Killed.	Injured.
1903 ...	4,154	115,564	1909 ...	4,133	154,357
1904 ...	3,985	115,515	1910 ...	4,704	167,653
1905 ...	4,268	122,386	1911 ...	4,307	190,764
1906 ...	4,369	135,693	1912 ...	5,252	197,958
1907 ...	4,453	156,278	1913 ...	4,863	222,061
1908 ...	4,154	158,356			

The Chief Inspector's Annual Report, 1913 (Cd. 7,491), refers to the difficulty of securing proper reporting of accidents. One firm, employing over 4,000 workpeople, reported only nine out of 73 reportable accidents in six months; another two out of 65. Scouts are posted to give warning of inspectors' visits, yet prosecutions numbered 3,872. Liverpool reported 80 accidents where from 12 to 30 hours continuous work had been performed.

CASES OF POISONING AND ANTHRAX IN FACTORIES AND WORKSHOPS.

	Cases.	Deaths.		Cases.	Deaths.	
1905	663	42	1910 ...	573	48
1906	707	54	1911 ...	755	49
1907	653	40	1912 ...	656	50
1908	727	40	1913 ...	625	34
1909	625	42			

Certain cases of poisoning are not reported under the Acts. In 1912 the number of these cases was 256, and included 47 deaths, making a total for that year of 912 cases and 97 deaths from poisoning.

"At present the average age at death among the nobility, gentry, and professional classes in England and Wales was 55 years; but among the artizan classes of Lambeth it only amounted to 29 years; and whilst the infantile death-rate among the well-to-do classes was such that only eight children died in the first year of life out of 100 born, as many as 30 per cent. succumbed at that age among the children of the poor in some districts of our large cities. The only real causes of this enormous difference in the position of the rich and poor with respect to their chances of existence lay in the fact that at the bottom of society wages were so low that food and other requisites of health were obtained with too great difficulty" (Dr. C. R. Drysdale, Report of Industrial Remuneration Conference, 1885, p. 130).

"Anyone who is acquainted with the state of the population of all great industrial centres, whether in this or other countries, is aware that amidst a large and increasing body of that population there reigns supreme . . . that condition which the French call *la misère*, a word for which I do not think there is any exact English equivalent. It is a condition in which the food, warmth, and clothing, which are necessary for the mere maintenance of the functions of the body in their normal state, cannot be obtained; in which men, women, and children are forced to crowd into dens wherein decency is abolished, and the most ordinary conditions of healthful existence are impossible of attainment; in which the pleasures within reach are reduced to brutality and drunkenness; in which the pains accumulate at compound interest in the shape of starvation, disease, stunted development, and moral degradation; in which the prospect of even steady and honest industry is a life of unsuccessful battling with hunger, rounded by a pauper's grave" (Professor Huxley, *Nineteenth Century*, February, 1888).

B. S. Rowntree estimated that the average income from all sources of the 11,560 working class families in York in 1899 was 32s. 8½d. per week, or £85 a year. But 1,465 families, comprising 7,230 persons, that is, 15.46 per cent. of the wage-earning class and

9.91 per cent. of the population of York, were living in "primary poverty," that is, on less than enough to provide the minimum of food, clothing, and shelter.

INFANT MORTALITY.

"The best indication probably as to whether the conditions of life in any locality are healthy or the reverse is the infant mortality" (*The Dwelling House*, by G. V. Poore).

In the Forty-Second Annual Report of the Local Government Board, 1912-13, Dr. Newsholme says: "It is a well-established fact that the circumstances of life in most urban communities are unfavorable to infants.* At birth the urban excess is usually about 8 per cent., during the first three months 11.6 per cent., in the next three months 43 per cent., and in the second half of infancy 67 per cent. higher in the urban than in the rural counties." Stalybridge had the highest infantile death-rate, 189.0 per 1,000 births in 1907-10, and in the counties the towns with the highest infantile mortality are Lancashire, Cheshire, Staffordshire, Derbyshire, Glamorganshire, and Yorkshire (West Riding), while such important centres of industry as Rhondda, Merthyr Tydvil, Hull, Nottingham, and Huddersfield earn an unenviable notoriety. The infant mortality is, as might be expected, high among the poor and low among the well-to-do, the rates being 77 per 1,000 among the upper-middle classes, 133 among the wage-earners (77 among agricultural laborers), 148 among textile operatives, 160 among miners, and 152 in the unskilled labor class (Cd. 6,909).

OVERCROWDING STATISTICS. From Censuses 1901 and 1911, General Report.

ENGLAND AND WALES—OVERCROWDING.

Tenement tenements with	No. of 1 to 4 roomed tenements with more than two occupants per room.		No. of occupiers of such tenements.		Percentage of population in such tenements.	
	1901.	1911.	1901.	1911.	1901.	1911.
1 room	66,669	57,835	245,586	211,770	0.8	0.6
2 rooms	147,527	135,092	884,672	804,071	2.7	2.2
3 rooms	102,556	130,272	807,596	1,023,925	2.5	2.8
4 rooms	75,662	81,811	729,652	792,716	2.2	2.2
	392,414	405,010	2,667,506	2,832,482	8.2	7.8

The total number of tenements in England and Wales was, in 1911, according to the returns, 8,005,290, which gives, with a population of 36,070,492, an average of 4.5 persons to each tenement.

The five great towns in which the percentage of overcrowded persons (that is, over two persons per room) was the highest were as follows:—

Gateshead	...	...	33.7	Newcastle-on-Tyne	...	31.7
South Shields	...	...	32.9	Tynemouth	...	30.8
Sunderland	...	...	32.6			

* The infant mortality in England and Wales as a whole was 95 per 1,000 births in 1912, a welcome drop from 130 per 1,000 in 1911.

The five registration counties with most overcrowding were:—

Northumberland ...	28·7	Denbigh ...	10·4
Durham ...	28·5	Yorkshire (West Riding)	10·3
London ...	17·7		

Speaking generally, it would appear that the coal-bearing counties are those where the crowding of dwellings is most severe.

OVERCROWDED AREAS IN LONDON (CENSUS 1911).

Borough.	Tenement dwellings. Percentage consisting of		Persons living more than 2 in a room in tenements of less than 5 rooms.	
	1 room.	2 rooms.	Number.	Percentage of population.
Bermondsey ...	14·7	23·8	26,714	21·2
Bethnal Green ...	17·5	26·9	39,377	30·7
Finsbury ...	27·7	33·6	33,322	37·9
Hampstead ...	6·7	12·7	5,355	6·2
St. Pancras ...	21·6	29·4	50,264	23·0
Shoreditch ...	24·8	28·5	37,933	34·0
Southwark ...	19·7	26·4	44,881	23·4
Stepney ...	18·1	27·1	88,776	31·7

The highest percentage of one-room tenements are in Dublin, 33·9; Glasgow, 20·0; and London, 13·4. Of three-room tenements, in Birmingham, 30·5; Edinburgh, 21·9; and London, 21·3. The proportion of population living more than two in a room to the total population was, in Birmingham, 16·8; London, 31·1 (Finsbury, 39·9); Edinburgh, 37·9; and Dublin, 53·6. Of the private family population in Hampstead about 300 of every 1,000 dwell in tenements of ten rooms or more; in Kensington, 250; in Westminster, 200; in Bethnal Green, 3; in Bermondsey and Shoreditch, 4; and in Poplar and Stepney, 6. At the Dublin housing inquiry, 1913, evidence was tendered by Councillor Miss Sarah C. Harrison showing that:—

12,296 persons were living 4 in one room.

11,335	"	"	5	"
8,928	"	"	6	"
5,978	"	"	7	"
3,448	"	"	8	"
3,014	"	"	9	"
686	"	"	10 and over.	(Cd. 7,317, p. 98.)

PAUPERISM.

We clog our public poor relief with irksome and degrading conditions, so that the honest poor often die lingering deaths rather than accept it. Mr. Charles Booth states that "as regards entering the workhouse, it is the one point on which no difference of opinion exists among the poor. The aversion to the 'house' is absolutely universal, and almost any suffering and privation will be endured by people rather than go into it" (*The Aged Poor in England and Wales*). Yet the paupers in actual receipt of public relief on one day number nearly a million:

England and Wales, January 1st, 1913	785,345	cost	£14,935,605
Scotland, January 15th, 1913	... 108,145	"	1,576,116
Ireland, January 4th, 1913	... 77,900	"	1,272,858
			<hr/>
	971,390		£17,784,579

(Statistical abstract for the United Kingdom, Cd. 7,636.)

But this relief is not usually given permanently; to obtain the number of different individuals who receive relief during a year we must multiply the mean daily number by 2.15 (Royal Commission on the Poor Law (Majority) Report, 8vo. edn., p. 32). The mean daily number of paupers in 1913 was 966,836, and therefore the total number of individuals in receipt of relief was about 2,080,000, or 1 in 8 of the manual labor class.

But in addition to this public expenditure, the various charitable societies spent, in 1912, £9,139,167 on hospitals, orphanages, and similar charities (Burdett's *Hospitals and Charities*, 1914, p. 82), and the charity of individuals is known to be enormous. The numbers of the destitute class must therefore be largely increased. Sir R. Giffen spoke, in 1886, of the class of five millions "whose existence is a stain on our civilization" (*Essays in Finance*, vol. ii., p. 350).

"To me, at least, it would be enough to condemn modern society as hardly an advance on slavery or serfdom, if the permanent condition of industry were to be that which we behold, that 90 per cent. of the actual producers of wealth have no home that they can call their own beyond the end of the week; have no bit of soil, or of so much as a room that belongs to them; have nothing of value of any kind except as much old furniture as will go in a cart; have the precarious chance of weekly wages which barely suffice to keep them in health; are housed for the most part in places that no man thinks fit for his horse; are separated by so narrow a margin from destitution, that a month of bad trade, sickness, or unexpected loss brings them face to face with hunger and pauperism. . . . This is the normal state of the average workman in town or country" (Mr. Frederic Harrison, p. 429, Report of Industrial Remuneration Conference, 1885).

XII.—The Evil and the Remedy.

"The deepest root of the evils and iniquities which fill the industrial world is not competition, but the subjection of labor to capital, and the enormous share which the possessors of the instruments of industry are able to take from the produce" (J. S. Mill quoting Feugueray, *Principles of Political Economy*, p. 447, edition of 1865).

"We have been suffering for a century from an acute outbreak of individualism, unchecked by the old restraints, and invested with almost a religious sanction by a certain soul-less school of writers" (Prof. H. S. Foxwell, University College, London, p. 249, of essay in *The Claims of Labor*, 1886).

Socialists affirm that the evil can never be remedied until the "two nations" are united by the restitution to public purposes of rent and interest of every kind, and by the growth of social sympathy promoted by the accompanying cessation of class distinctions. It will be seen by the above quotations that this position is based on the facts of the case as ascertained and declared by the recognized authorities in statistics, and is in entire harmony with the doctrines of Political Economy.

XIII.—Some Steps already taken towards Socialism.

The restriction to public purposes of rent and interest of every kind cannot be effected by revolution, or by one or a dozen Acts of Parliament. Legislative reforms must be supplemented by a thoroughly organized exercise by all local authorities, from Parish to County Councils, of the powers they already possess, as well as by the acquisition of new and more far-reaching powers. The supply of water, milk, gas, and electric light; the establishment of markets, slaughter-houses, tramways, steamboats, baths, wash-houses, cemeteries, harbors, libraries, bands, art galleries, museums, open spaces, gymnasia, allotments; the building of workmen's dwellings and municipal lodging-houses, are being carried on, here and there, by municipal authorities for the common good. They might be extended to every urban community in the kingdom if public opinion and public enterprise were sufficiently alert to their opportunities. The following figures show the influence of Socialistic principles in our municipal administration. A House of Commons Return, issued in December, 1902, gives a summary of the reproductive undertakings carried on by 299 out of the 317 municipal boroughs in England and Wales: total capital, £121,172,372; balance outstanding, March 31st, 1902, £104,925,853; average annual income for four years to March 31st, 1902, £13,368,702; average annual working expenses for the same period, £8,228,706; average annual net profit for the same period, £4,812,005 (H. C.—308, December 16th, 1902). No later returns have been made.

The transfer of rent and interest from private pockets to public purposes will be mainly brought about by means of progressive taxation in the shape of graduated death duties, a graduated differentiated income tax, and the rating of land values. The budgets of 1904, 1905, 1907, and 1909 have not only cleared the way for the application of Socialist principles to taxation, but have brought a largely increased revenue into the national exchequer. An estate duty, varying from 1 per cent. on estates of £500 to 15 per cent. on those over £1,000,000, in addition to which legacy duties varying according to the relationship of legatees from 1 per cent. to 10 per cent., are payable. The income tax is not only graduated, but also differentiated as between earned and unearned incomes. During the year 1912-13 the revenue from the death duties was £25,406,369. In the period 1894-5 to 1912-13 no less than £347,959,570 was collected from death duties, an average of £19,331,087 a year, as against £9,979,691 in 1893-4 (Cd. 7,022).

The extension of these means by the Socialist Chancellors of the Exchequer of the future will extinguish unearned incomes and, so far as taxation can do it, bring about the emancipation of the people from private monopoly.

XIV.—The Organized Forces of Socialism, Trade Unionism and Co-operation.

The strength of Socialism at home and abroad is fairly accurately represented in the following table. Where possible the figures have

been stated with as close an approximation to accuracy as is possible, and in other cases estimates have been made on a conservative basis.

Country.	Socialist-Labor Vote.	No. of M.P.'s.	Trade Unionists.	Co-operators.
Australia ...	678,812	—	433,224	42,680
Austria ...	1,041,948 (1907)	82	506,905	2,400,000
Belgium ...	600,000 (1912)	39	116,082	500,000
Denmark ...	107,015 (1913)	32	128,224	614,200
Finland... ..	308,782 (1913)	90	23,000	200,000
France	— (1914)	—	1,029,238	865,842
Germany ...	4,250,329 (1912)	111	3,629,403	4,800,000
Holland	144,000 (1913)	15	169,144	355,000
Italy	915,000 (1913)	53	847,530	1,666,800
Norway	126,000 (1912)	23	60,378	120,000
Russia... ..	800,000 (1912)	14	550,000	3,000,000
Sweden... ..	172,000 (1911)	65	220,000	160,000
Switzerland ...	125,000 (1911)	16	127,514	600,000
United Kingdom	529,193 (1910)	40	3,993,769	3,011,390
United States ...	900,868 (1912)	—	2,282,361	140,000

TRADE UNIONISM IN THE UNITED KINGDOM.

The growth of trade unionism in the United Kingdom is shown by the following figures:—

Year.	No. of Trade Unions.	Membership.	Percentage Increase.
1893	1,221	1,488,457	—
1898	1,287	1,688,531	—
1903	1,218	1,931,043	—
1908	1,165	2,388,719	—
1909	1,153	2,369,701	—
1910	1,154	2,446,373	3'3
1911	1,168	3,018,954	23'4
1912	1,151	3,287,858	8'9
1913	1,133	3,993,769	21'5

In 1910 to 1912 the expenditure of the 100 principal Trade Unions was as follows (Cd. 7,733, p. 219):—

	1910	1911	1912
Unemployment	£701,733	456,510	597,662
Dispute Benefit	352,346	317,912	1,374,884*
Sick and Accident Benefit...	418,998	436,262	440,047
Superannuation	402,797	412,150	425,182
Funeral Benefit	103,938	112,553	119,075
Other Benefits	137,777	196,552	163,187
Working Expenses	524,434	578,437	703,240
TOTAL	£2,642,023	2,510,376	3,823,277

* Coal Trade Dispute.

This represents the expenditure of from 60 to 64 per cent. of the total membership of Trade Unions.

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